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6 ACER INC., ACER AMERICA CORP., AND
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ATTORNEYS FOR DEFENDANTS

TECHNOLOGY PROPERTIES LIMITED,
 and ALLIACENSE LIMITED (Case No. C
 08 0877)

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 PATRIOT SCIENTIFIC CORPORATION
 (Case Nos. C 08 0877, C 08 0882, and C 08
 00884)

UNITED STATES DISTRICT COURT
 NORTHERN DISTRICT OF CALIFORNIA
 SAN JOSE DIVISION

ACER INC., ACER AMERICA CORP.,
 and GATEWAY, INC.,

No. C 08 00877 JF

Plaintiffs,
 v.

**JOINT CASE MANAGEMENT
 STATEMENT AND [PROPOSED] ORDER**

TECHNOLOGY PROPERTIES
 LIMITED, PATRIOT SCIENTIFIC
 CORPORATION and ALLIACENSE
 LIMITED,

Date: August 1, 2008
 Time: 10:30 A.M.
 Dept.: Courtroom 3, 5th Floor
 Judge: Honorable Jeremy Fogel

Defendants.

1
2 This Joint Case Management Statement and [Proposed] Order is submitted by the Parties
3 in the above captioned related actions. Pursuant to the Conference of Counsel conducted on July
4 16, 2008 and in preparation for the Case Management Conference currently set for August 1,
5 2008, Plaintiffs Acer Inc. (“Acer”), Acer America Corporation (“Acer America”) and Gateway
6 Inc. (“Gateway”) (collectively “Plaintiffs”) and Defendants Technology Properties Limited
7 (“TPL”), Patriot Scientific Corporation (“Patriot”) and Alliacense Limited (“Alliacense”)
8 (collectively “Defendants”) submit this Joint Case Management Statement and [Proposed] Order.

9 **I. JURISDICTION AND SERVICE**

10 No dispute exists regarding personal jurisdiction. All parties have been served.
11 Defendants dispute this Court’s subject matter jurisdiction over Plaintiffs’ declaratory judgment
12 claims pursuant to 28 U.S.C. §§ 1331, 1338, 2001 and 2202, and have moved for the dismissal of
13 each of the related actions under Fed. R. Civ. P. 12(b)(1). In the alternative, Defendants move for
14 a change of venue under 28 U.S.C. 1404(a) to the United States District Court for the Eastern
15 District of Texas (where they subsequently initiated infringement actions against the Plaintiffs in
16 the present declaratory judgment actions concerning certain common patents to those at issue
17 here). Defendants’ Motion to Dismiss on Grounds of Lack of Subject Matter Jurisdiction or, in
18 the Alternative, to Transfer Venue (the “Motion to Dismiss”) is set for hearing on August 1, 2008.
19 Plaintiffs oppose Defendants’ Motion to Dismiss and believe that there is no dispute that there is
20 an actual controversy that satisfies the standing requirements of the Declaratory Judgment Act.
21 Plaintiffs filed their oppositions to the Motion to Dismiss on July 11, 2008, and Defendants’ reply
22 briefs are due on July 18, 2008.

23 **II. FACTS AND THE PRINCIPAL FACTUAL ISSUES IN DISPUTE**

24 Plaintiffs Acer, Inc., Acer America Corporation and Gateway, Inc. (collectively, “Acer”)
25 filed this declaratory judgment action alleging that their products do not infringe three of
26 Technology Properties Limited’s (“TPL’s”) patents. TPL is a small-entity patent owner involved
27 for over twenty years with the development, manufacture and marketing of innovative high
28

1 technology products.¹ TPL holds patents on several different aspects of high speed computer
 2 microprocessors. These patents include U.S. Patent Nos. 5,809,336 (“the ‘336 patent”),
 3 5,784,584 (“the ‘584 patent”), 5,440,749 (“the ‘749 patent”), 6,598,148 (“the ‘148 patent”) and
 4 5,530,890 (“the ‘890 patent”). These patents are part of the family of patents known as the
 5 Moore Microprocessor Portfolio patents, or MMP patents. Numerous major companies, such as
 6 Intel, Hewlett-Packard, and Nokia, have licensed the technology they disclose and claim.
 7

8 Following a series of licensing discussions between the parties, Plaintiffs filed their
 9 declaratory judgment action on February 8, 2008. Through their complaint, Plaintiffs assert that
 10 they did not, have not, and do not infringe any valid claims of certain United States Patents
 11 controlled, owned, and licensed by the Defendants. Plaintiffs further contend that for months
 12 prior to the commencement of the related actions, Defendants contacted each of them claiming
 13 that products made, used, and/or offered for sale by the Plaintiffs infringe one or more claims of
 14 certain patents owned, controlled and licensed by the Defendants. Plaintiffs seek declaratory
 15 judgments of non-infringement and/or invalidity as to the ‘749 Patent, the ‘336 Patent, and the
 16 ‘584 Patent.
 17

18 As explained in Section V., *infra*, the ‘148 patent and the ‘890 patent have also arisen as
 19 part of the dispute in light of infringement actions filed by Defendants in the United States
 20 District Court for the Eastern District of Texas after commencement of this action. Plaintiffs
 21 intend to seek a stipulation from the declaratory judgment Defendants for leave to file an
 22 Amended Complaint that will include these two additional patents.
 23

24
 25
 26
 27 ¹ Co-defendant Patriot Scientific Corporation (“Patriot”) owns an interest in U.S. Patent
 28 Nos. 5,440,749, 5,784,584, and 5,809,336 and 6,598,148. Alliacense Limited contends that it
 does not own an interest in any of these patents and should not have been named in this action.
 29

1 **III. THE PRINCIPAL LEGAL ISSUES IN DISPUTE**

2 In addition to the pending Motion to Dismiss, the principal legal issues that the parties
 3 dispute are:

4 The meaning of various claim terms of the patents-in-suit;

5 Whether the Plaintiffs infringe any of the patents-in-suit;

6 Whether the patents-in-suit are invalid.

7 **IV. MOTIONS AND HEARINGS**

8 **Prior Motions:** None.

9 **Pending Motions:** Plaintiffs' Motions to Dismiss is pending and is scheduled for hearing
 10 on August 1, 2008.

11 **Anticipated Motions:** Plaintiffs anticipate filing one or more motions regarding
 12 summary judgment and/or discovery. Defendants also anticipate filing one or more motions
 13 regarding summary judgment and/or discovery. In addition, the parties anticipate motion
 14 practice and briefing concerning claim construction.

15 **V. AMENDMENT OF PLEADINGS**

16 As noted above, Plaintiffs intend to seek a stipulation from the declaratory judgment
 17 Defendants for leave to file an Amended Complaint that will include two additional patents that
 18 Defendants have asserted in their action pending in the Eastern District of Texas, i.e., the '148
 19 and '890 patents.

20 The Defendants have not filed any answers in these actions.

21 **VI. EVIDENCE PRESERVATION**

22 All parties have taken appropriate steps to preserve any and all evidence that may be of
 23 relevance to the issues in the present action, including electronic evidence. Plaintiffs propose that
 24 voicemail messages that are not preserved as emails need not be preserved. Defendants are not
 25 prepared at this time to agree to that proposal and believe that all relevant information must be
 26 preserved.

1 **VII. DISCLOSURES**

2 During the Rule 26(f) Conference of Parties held on July 16, 2008, the parties agreed to
 3 exchange their Fed. R. Civ. P. 26(a)(1) Initial Disclosures within two weeks (14 days) of a ruling
 4 on the Motion to Dismiss if the Court maintains jurisdiction over this case.

5 **VIII. DISCOVERY**

6 No discovery has been served thus far. The parties conducted their Rule 26(f) Conference
 7 of Parties on July 16, 2008. Pursuant to Fed. R. Civ. P. 26(f), the parties submit the following
 8 discovery plan:

9 (1) **Changes to disclosures.** The parties do not expect that any changes will be made in
 10 form or requirement of the parties' Rule 26(a) disclosures.

11 (2) **Subjects on which discovery may be needed.** Essential information for Plaintiffs to
 12 prove invalidity and non-infringement of the patents-in-suit. Plaintiffs expect Defendants to
 13 counter-claim for patent infringement and will need the Defendants to identify all accused
 14 products and how such products allegedly infringe the patents-in-suit.

15 (3) **Issues relating to disclosure or discovery of electronically stored information.** The
 16 parties anticipate that certain discovery may be produced in electronic form and have agreed to
 17 meet and confer, as necessary, to resolve any issues concerning electronic discovery as they arise.
 18 The parties agree to meet and confer regarding the production format for electronic material.

19 (4) **Issues relating to claims of privilege or of protection as trial-preparation
 20 material.** The parties will meet and confer as necessary to discuss this when the issue arises.

21 (5) **Changes in limitations on discovery.** Each side shall be entitled to conduct no more
 22 than twenty (25) depositions, excluding expert witnesses. Each side shall be entitled to propound
 23 no more than twenty five (25) interrogatories; provided, however, that the parties reserve the right
 24 to approach the Court, upon a showing of good cause, for leave to serve additional
 25 interrogatories. Service of discovery requests and discovery responses among the Parties shall be
 26 made by electronic mail, with copies sent by U.S. Mail. Deadlines for discovery responses shall
 27 be determined by reference to the e-mail transmission date.

(6) Production of English language documents. The parties will produce English language versions of all documents produced, if available. The parties further agree to meet and confer to establish a protocol concerning translations of foreign language documents, with consideration toward minimizing costs of translation and focusing any disputes as to translations.

(7) Orders that should be entered by the court. The parties contemplate that a protective order governing the treatment of confidential information will be required.

(8) Production of Foreign Witnesses. Defendants contend that, having selected the forum in the Northern District of California, Plaintiffs should be required to produce their employees for deposition and trial in this District. Plaintiffs contend that foreign witnesses should be deposed where they reside or work. In this case, for example, Plaintiff Acer, Inc. is a Taiwanese corporation with its principle place of business in Taipei, Taiwan. Plaintiffs contend that depositions of Acer, Inc. and its employees occur in Taiwan.

IX. CLASS ACTIONS

This action is not a class action.

X. RELATED CASES

The HTC Action (Case No. 5:08-cv-00882) and the ASUSTeK Action (Case No. 5:08-cv-00884) have each been related to the Acer/Gateway Action 5:08-cv-877. See related case order of this Court dated April 22, 2008.

XI. RELIEF

Plaintiffs seek a declaratory judgment against Defendants for non-infringement and invalidity as to the patents-in-suit under 28 U.S.C. §§ 1331, 1338, 2001 and 2202 under Fed. R. Civ. P. 12(b)(1).

XII. SETTLEMENT AND ADR

The parties have agreed to engage in mediation on or before October 27, 2008.

XIII. CONSENT TO MAGISTRATE JUDGE FOR ALL PURPOSES

The parties do not consent to have a magistrate judge conduct all further proceedings

1 including trial and entry of judgment.

2 **XIV. OTHER REFERENCES**

3 This case is not suitable for reference to binding arbitration, a special master, or the
4 Judicial Panel on Multidistrict Litigation.

5 **XV. NARROWING OF ISSUES**

6 The parties will most likely file one or more dispositive motions seeking to narrow the
7 issues in this case. Both parties anticipate filing one or more motions for summary judgment.

8 **XVI. EXPEDITED SCHEDULE**

9 Plaintiffs and Defendants agree that this case is not suitable for expedited handling.

10 **XVII. SCHEDULING**

11 The parties propose that the Court adopt the following schedule based on the Federal
12 Rules of Civil Procedure, Local Rules, Patent Local Rules, and the Case Management Conference
13 held on August 1, 2008. The Court will hold a Status Conference after the Markman Ruling to
14 set dates regarding the close of fact discovery, expert disclosures, close of expert discovery,
15 deadline to file dispositive motions, mediation and all other pre-trial dates. *See* Docket No. 32.

16 Plaintiffs in this case understand that there are related cases in which there is an additional
17 portfolio of patents known as the “Core Flash” patents at issue. Plaintiffs are informed that there
18 is a dispute among the parties in those related cases as to the case management schedule due to
19 the addition of the “Core Flash” patent portfolio that is at issue in those related cases, but not in
20 this case. Plaintiffs contend that should the cases remain related and are consolidated, there
21 should be a common schedule for all the parties. To the extent that the schedule below differs
22 from what is proposed in those related cases, Plaintiffs defer to schedule presented by the
23 Plaintiffs in the related actions.

24 Defendants contend that the “Core Flash” patent portfolio patents have not been asserted
25 in this case, that the related cases have not been consolidated with this action and that, given the
26 separate technologies, the assertion of the “Core Flash” patents in the related cases should not
27 delay resolution of this action.

1 The parties' proposed schedule is below:

2

| 3 | EVENT | DATE / RULE (if applicable) |
|----|--|---|
| 4 | Rule 26(f) conference | July 16, 2008 F.R.C.P 26(f) |
| 5 | Rule 26(a) Initial Disclosures | Due within two weeks of a ruling by the Court on the Motion to Dismiss maintaining jurisdiction over one or more of these related cases. F.R.C.P. 26(a) |
| 6 | Due Date for Defendants' Answers and/or Counterclaims | Due within two weeks of a ruling by the Court on the Motion to Dismiss maintaining jurisdiction over one or more of these related cases. |
| 7 | Last Day to Serve Initial Disclosure of Asserted Claims and Preliminary Infringement Contentions (and related documents) | Two weeks after filing of Answer and/or Counterclaims (P.L.R. 3-1, 3-2) |
| 8 | Last Day to Serve Preliminary Invalidity Contentions (and related documents) | Due 45 days after service of Initial Disclosure of Asserted Claims and Preliminary Infringement Contentions (and related documents) (P.L.R. 3-3, 3-4) |
| 9 | Last Day to Exchange List of "Proposed Terms and Claim Elements for Construction" | Two weeks after service of Preliminary Invalidity Contentions (and related documents) (P.L.R. 4-1) |
| 10 | Last Day to Exchange "Preliminary Claim Constructions and Extrinsic Evidence" | 20 days after Exchange List of "Proposed Terms and Claim Elements for Construction" (P.L.R. 4-2) |
| 11 | Last Day to File Joint Claim Construction and Prehearing Statement | 60 days after exchange of Preliminary Claim Constructions and Extrinsic Evidence (P.L.R. 4-3) |
| 12 | Claim Construction Discovery Closes | 30 days after Filing Joint Claim Construction and Prehearing Statement (P.L.R. 4-4) |
| 13 | Defendants' Opening Claim Construction Brief | 45 days after Filing Joint Claim Construction and Prehearing Statement (P.L.R. 4-5a: 45 days after joint claim construction statement) |
| 14 | Plaintiffs' Responsive Claim Construction Brief | 14 days after filing Opening Claim Construction Brief (P.L.R. 4-5b) |

| 1 | EVENT | DATE / RULE (if applicable) |
|----|---|---|
| 3 | Defendants' Reply Claim Construction Brief | 7 days after filing of Responsive Claim Construction Brief (P.L.R. 4-5c) |
| 4 | Patent Technology Tutorial* | *If requested by the Court* 20 days after Reply Claim Construction Brief |
| 6 | Claim Construction Hearing | [To Be Determined by the Court's Schedule] |
| 8 | Status Conference | Three weeks after Claim Construction Hearing |
| 9 | Final Infringement Contentions | Per P.L.R. 3-6 (30 days after claim construction ruling) |
| 11 | Final Invalidity Contentions | Per P.L.R. 3-6 (50 days after claim construction ruling) |
| 12 | Defendants to serve willfulness documents; opinion of counsel | Per P.L.R. 3-8 (50 days after claim construction ruling) |
| 14 | Close of Fact Discovery | 6 months after final Invalidity Contentions |
| 15 | Initial Expert Reports | 30 days after Close of Fact Discovery |
| 16 | Rebuttal Expert Reports | 30 days after Initial Expert Reports |
| 17 | Close of Expert Discovery | 2 weeks after Rebuttal Expert Reports |
| | Trial | TBD |

18 XVIII. TRIAL

19 The parties request that trial be set to commence in December 2009 or January 2010, as
20 the court's schedule permits. The case will be tried to a jury. The parties expect trial will last 10-
21 14 court days.

22 XIX. DISCLOSURE OF NON-PARTY INTERESTED ENTITIES OR PERSONS

23 Plaintiffs filed its "Certification of Interested Entities or Persons" on April 23, 2008 and
24 state that aside from the named parties, there is no such interest to report.

1 Dated: July 18, 2008
2

3 Respectfully submitted,

4 By: /s/ Harold Davis

5 Attorneys for Plaintiffs
6

Respectfully submitted,

By: /s/ John L. Cooper

By: /s/ Charles T. Hoge

7 Attorney for Defendants
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9
10 Pursuant to the above Joint Case Management Statement, IT IS SO ORDERED.
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12 Dated: _____, 2008

13 _____
14 Honorable Jeremy Fogel
15 United States District Judge
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